

(225) 342-9888

December 26, 2012

RFP-12-16
LOUISIANA PUBLIC SERVICE COMMISSION
REQUEST FOR PROPOSALS

Docket No. U-32631 Cleco Power LLC; In re: Application of Cleco Power LLC for: (i) public interest finding in favor of the transfer of functional control of certain transmission assets to the Midwest Independent Transmission System Operator, Inc. Regional Transmission Organization; (ii) an accounting order deferring costs related to Cleco Power LLC's transition into the Midwest Independent Transmission System Operator, Inc. Regional Transmission Organization; and (iii) expedited treatment.

The Louisiana Public Service Commission ("Commission" or "LPSC"), in accordance with the requirements of the LPSC's General Order dated August 4, 2004, regarding the selection of contract employees ("Contract Order"), Commission Staff issues this Request for Proposals seeking an independent technical consultants and counsel to assist Commission Staff in the review and analysis of Cleco Power LLC's ("Cleco") Application in the above-captioned proceeding.

I. Overview

On December 6, 2012, Cleco filed its Application with the LPSC seeking a finding that Cleco's transfer of control of certain transmission assets to the Midwest Independent Transmission System Operator, Inc. Regional Transmission Organization ("MISO RTO") is in the public interest under the provisions of the Commission's General Order, *In Re: Commission Approval Required of Sales, Leases, Mergers, Consolidations, Stock transfers and All Other Changes of Ownership or control of Public Utilities Subject to Commission Jurisdiction*, (March 18, 1994) ("1994 General Order"). Cleco further requests authorization to defer the costs of integration into the MISO RTO and to collect such prudently-incurred, deferred costs from Cleco's LPSC-jurisdictional customers upon Cleco's integration into the MISO RTO.

II. Minimum Requirements

To be considered, all applicants must meet the following minimum requirements *in addition to those provided in* this Commission's General Order dated August 4, 2004. Consideration will be given to factors such as educational background and achievement, practical experience in the field of public utility regulation, and similar practice before other regulatory agencies or public utility commissions.

Applicants shall be qualified and prepared to render expert testimony, and be cross-examined, with respect to all of the issues addressed in this request for proposals and which are likely to arise in the proceeding.

Applicant shall, at a minimum, be familiar with the Commission's 1994 General Order and experienced in analyzing the operations, books and records of utility companies and be qualified and prepared to render expert testimony regarding and have knowledge of:

1. appropriate accounting standards and practices for electric utilities;
2. resource planning methods to improve the efficiency of a utility's power supply operations and whether the utility is making use of any such methods;
3. Commission rules on affiliate transactions;
4. cost recovery mechanisms for utilities, including Cleco's Formula Rate Plans, the Commission's Fuel Clause Recovery Order, Commission General Order U-21497 dated November 6, 1997;
5. regional transmission planning organizations; including ancillary services markets, day ahead energy and operating reserves markets and real time energy and operating reserves markets;
6. transmission hedges, such as annual revenue rights and financial transmission rights; and
7. Cleco's transmission assets and operations;

All proposals shall include a plan of action, estimated timeline, and fees and costs associated with completing the scope of representation, below. This will result in one proposal. However, in the event, an applicant is chosen, Commission and its Staff shall have the right to determine how the tasks will be carried out. In addition, all proposals shall demonstrate that the Applicant has the qualifications and experience necessary to meet the requirements of this request for proposals. Applicants will only be considered if proposals meet all of the requirements of this request for proposals and the Commission's Contract Order.

III. Scope of Representation

Applicants will be assisting LPSC Staff in the review and analysis of Cleco's Application, including but not limited to, review of the application and supporting testimony, preparing data requests on the Application and any testimony filed by any other party, review of testimony filed by any party, participating in status conferences, conducting technical conferences, and preparing technical analysis as requested by Staff. Applicants will be required to prepare and defend direct and cross answering testimony, participate in a hearing, and make a recommendation to the Commission. Applicants will also be assisting Staff in preparation of any post-hearing briefs or filings, assisting in any settlement discussions and/or stipulation hearings and attendance and testifying at the Commission's Business and Executive Sessions as needed.

IV. Period of Representation

The time period ("Period of Representation") estimated to complete the Scope of representation is approximately 8-12 months. This is merely an estimate and the Commission makes no representations as to the accuracy of the Period of Representation.

V. Estimate of Costs

All proposals shall include fees and costs associated with the Scope of Representation above. All applicants responding to this request for proposals shall quote their rates on an hourly basis and submit a budget that separates professional fees from costs. However, applicants shall only be allowed to charge for actual hours of work performed and costs incurred. Once selected, an applicant's rates and budget shall not be altered except by formal approval of the Commission.

VI. Conflict of Interest

Applicants shall prominently disclose current, as well as past employment, which could possibly result in a conflict of interest. In addition, Applicants shall prominently disclose all matters in which they currently represent clients before the Commission.

VII. Disclaimer

The LPSC reserves the right to reject any and all proposals, to amend and/ or supplement this request for proposals at any time, and to consider proposals or modifications thereof received at any time prior to LPSC vote at Open Session, if such action is found by the LPSC to be in the public interest. Pursuant to the General Order regarding the selection of contract employees, the LPSC has the right to accept other than the lowest offer with regard to price. In addition, there is also no assurance, express or implied, that an award will necessarily be made pursuant to this request for proposals.

VIII. Billing Guidelines

As required by the August 4, 2004 General Order, all bills will be rendered monthly and shall specifically identify and describe all work performed, the person performing such work, the time and charge for such work, and shall additionally show the total amount billed to date and the authorized original estimate. Bills will be rendered in strict accordance with the Commission's guidelines. Expenses shall also be separately disclosed with proof of such expenses attached.

Expenses, where applicable, shall be reimbursed at state authorized rates as specified in the Travel Policies and Procedures Memorandum issued by the State of Louisiana, Division of Administration in effect at the time such expenses are incurred ("Allowable Expenses"). Any expenses that exceed the Allowable Expenses shall be borne by the contract employee and shall not be reimbursed by either the Commission, or the correspondent utility, unless otherwise specified by the Commission.

IX. Submission of Proposals

Interested parties should submit the *original (hard copy), six (6) copies, and e-mail an electronic copy* of the proposal to:

Attention: Rene Robertson
Louisiana Public Service Commission
Office of the General Counsel
602 North Fifth Street (Galvez Building) (70802)
P.O. Box 91154
Baton Rouge, Louisiana 70821-9154
Phone: (225) 342-9888
Fax: (225) 342-5610
Email: rene.robertson@la.gov

To be considered, an original, six copies, and the electronic copy of the proposal must be received on or before **Tuesday, January 22, 2013**. Information concerning billing procedures and the Commission's RFP policy may be obtained from the address listed above, or by calling (225) 342-1418.